

Format for Decision for Lease in a Definite Fixed Term

Where Production Has Ceased



United States Department of the Interior
BUREAU OF LAND MANAGEMENT

IN REPLY REFER TO:

3107 (Office Code)
Serial No.

CERTIFIED MAIL--RETURN RECEIPT REQUESTEDDECISION

Lessee(s) and Address(es) :
: Oil and Gas
:
:

Cessation of Production

Oil and gas lease (Serial number) was issued effective (Date) for a (5/10)-year term ending (Date) and for so long thereafter as oil or gas is produced in paying quantities. (Include when applicable: The lease term has been extended to (Date) pursuant to the decision of (Date).)

A determination has been made that this lease was no longer capable of producing oil or gas in paying quantities after (Date). In the absence of any further extension, or the establishment of production, the lease will expire at the end of its current term on (Date).

Settlement of royalties or rentals due or payable must be made to Minerals Management Service, Royalty Management Program, if not done previously. Bonds must remain in full force and effect until final abandonment of all wells on the lease has been approved, and the lease account is settled.

NOTE: If the lease account is changed from nonterminable (producing) status to terminable (nonproducing) status in the MMS-DMD (because the lease has never had a well of its own), an additional paragraph indicating the changed lease status needs to be included here. Or, if the lease will remain on a minimum royalty basis until its expiration, that fact should be indicated here.

Standard appeal paragraph (see Handbook 3100-1, Chapter 1).

Authorized Officer

Enclosure
Form 1842-1

Distribution:
Field Office Operations
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